Introduction

AN ACT CONCERNING REGIONAL ECONOMIC DEVELOPMENT.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Section 32-326 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2017):

It is hereby found and declared that there exists in this state a great and growing need for additional public and private capital improvements and acquisitions and project development that will promote economic diversification, stability and growth; that such improvements, acquisitions and projects are a particularly effective investment of state funds because of their relative immobility in an increasingly global economy; that such improvements, acquisitions and projects are particularly needed in communities and regions experiencing significant military, [and] industrial and commercial job losses and economic dislocation; and that regional cooperation in the planning and development of such improvements, acquisitions and projects is desirable and should be encouraged; and therefore, it is necessary and in the public interest and for the public good that the provisions of sections 32-325 to 32-330, inclusive, are hereby declared a

LCO No. 5716
matter of legislative determination.

Sec. 2. Section 32-327 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2017):

As used in sections 32-325 to 32-330, inclusive, 32-23ww and 32-23xx:

(1) "Act" means the Regional Economic Development Act.

(2) "Agency" means any regional economic development commission formed under sections 7-136 and 7-137, other regional development commission or corporation formed under any other provision of the general statutes or any special act, or economic development district designated pursuant to 42 USC 3171 or any regional council of governments organized under sections 4-124i to 4-124p, inclusive, except that for purposes of financial assistance for greenways projects, "agency" means a municipality or other organizations.

(3) "Commissioner" means the Commissioner of Economic and Community Development.

(4) "Eligible project" means (A) a public or private improvement or acquisition which, in the sole judgment of the commissioner as determined by a comprehensive economic development strategy, will significantly enhance economic diversification, stability, growth or scientific knowledge in the region where the project is to be located, and includes a "business development project" as defined in subsection (a) of section 32-222 or greenways projects or (B) an application for a grant under section 32-23ww or 32-23xx. [(i) In determining eligibility with regard to an application submitted for an eligible project under subparagraph (A) of this subdivision before June 21, 1994, the commissioner shall also evaluate the project in accordance with a one-hundred-point scale as follows: Fifteen points based on such criteria as the commissioner may from time to time establish, fifteen points for]
projects located in targeted investment communities, up to twenty-five points for projects in regions where fifty per cent or more of the member municipalities within any planning region participate and fifteen points for every two thousand manufacturing jobs that the region has lost or, in the judgment of the commissioner, is scheduled to lose between July 1, 1989, and July 1, 1996, up to a total of forty-five points. (ii) In determining eligibility with regard to an application submitted for any eligible project under this subdivision on or after June 21, 1994, the commissioner shall also evaluate the project in accordance with a one-hundred-point scale as follows: Fifteen points based on such criteria as the commissioner may from time to time establish, fifteen points for projects located in targeted investment communities, up to twenty-five points for projects in regions where fifty per cent or more of the member municipalities within any planning region participate and fifteen points for every two thousand manufacturing jobs that the region has lost or, in the judgment of the commissioner, is scheduled to lose between July 1, 1989, and July 1, 1996, up to a total of twenty-five points, and ten points if the project consists of an application for a grant under section 32-23ww or 32-23xx, up to a total of twenty points.]

(5) "Manufacturing jobs" means jobs at a business that is located, in whole or in part, in Connecticut and that has a North American Industrial Classification code of 311111 through 339999; a business engaged in research and development directly related to manufacturing; a business engaged in the significant servicing, overhauling or rebuilding of machinery and equipment for industrial use; an agricultural enterprise engaged in value added agricultural production, as is consistent with section 22-26k, or agricultural biotechnology; or any establishment or auxiliary or operating unit thereof, as defined in the North American Industrial Classification Manual, which the commissioner determines will materially contribute to the economy of the state by creating or retaining jobs, exporting products or services beyond the state's boundaries, encouraging innovation in products or services, adding value to products or
services, or otherwise supporting or enhancing existing activities that
are important to the economy of the state.

(6) "Eligible project cost" means the total cost in dollars of an eligible
project.

(7) "Financial assistance" means grants, extensions of credit, loans,
other investments, or guarantees of any of the foregoing, or any
combination thereof, or any guaranty of any pool of such loans
determined by the commissioner to be necessary or appropriate to
establish or maintain a secondary market for such loans.

(8) "Regional economic development plan" means a [plan prepared
by an agency that identifies, and which may rank, in order of priority,
eligible projects for which the agency intends to apply for financial
assistance under section 32-325, and includes an economic
development plan developed as contemplated by section 32-7]
comprehensive economic development strategy prepared pursuant to
13 CFR 303.7 by an economic development district designated
pursuant to 42 USC 3171 or a regional council of governments
organized under sections 4-124i to 4-124p, inclusive.

[(9) "Planning region" means any planning region of the state
recognized by the commissioner and established in connection with
the development of any regional economic development plan.]

Sec. 3. Section 32-328 of the general statutes is repealed and the
following is substituted in lieu thereof (Effective July 1, 2017):

(a) [An agency] A planning region may apply for financial
assistance under this section by submitting one or more projects
identified in a regional economic development plan to the
commissioner, with a request for financial assistance for [one or more
projects identified in the plan] such projects. The commissioner may
also propose eligible projects, in amounts not to exceed one-third of
the funds available under sections 32-325 to 32-330, inclusive, for
financial assistance under this section, after submitting such proposal
to the [agencies within the] planning region in which the project is to
be located and consulting with such [agencies] planning region as to
the appropriateness of such project under [any applicable] such
planning region's regional economic development plan.

(b) The commissioner may fund not more than ninety per cent of
total project costs [in targeted investment communities, not more than
seventy-five per cent of total project costs in the case of] for a project in
a region that includes a targeted investment community or a federally
distressed community, and not more than sixty-six and two-thirds per
cent of total project costs in the case of a project in a region that does
not include a targeted investment community.

[(c) Financial assistance may be provided to municipalities and
other organizations to develop greenways, including, but not limited
to, transportation-related greenways supported by the federal
Transportation Equity Act for the 21st Century, as amended from time
to time. The amount of any grant shall be as follows: (1) For
transportation greenways projects that are part of interstate
greenways, not more than twenty per cent of the project cost; (2) for
transportation greenways projects that are local spurs from interstate
greenways or that are intertown greenways projects, not more than ten
per cent of the project cost; and (3) for greenways that are not
transportation greenways, not more than half of the capital costs of the
project.]

[(d)] (c) The total financial assistance under sections 32-325 to 32-
330, inclusive, for any [agency or project] planning region shall not
exceed twenty million dollars of state funds plus any federal funds
that the commissioner or planning region applies to the project.

Sec. 4. Subsection (b) of section 23-102 of the general statutes is
repealed and the following is substituted in lieu thereof (Effective July
1, 2017):
(b) The duties of the council shall be: (1) To advise and assist in the coordination of state agencies, municipalities, regional planning organizations, as defined in section 4-124i, and private citizens in voluntarily planning and implementing a system of greenways; (2) to operate a greenways help center to advise state agencies, municipalities, regional planning organizations, as defined in section 4-124i, and private citizens in the technical aspects of planning, designing and implementing greenways, including advice on securing state, federal and nongovernmental grants; (3) to establish criteria for designation of greenways; (4) to maintain an inventory of greenways in the state which shall include the location of greenways transportation projects which have received grants under sections 23-101, 32-6a [], and 32-9qq; [and 32-328;] (5) to advise the Commissioner of Economic and Community Development on the distribution of grants for greenways transportation projects pursuant to sections 32-6a [], and 32-9qq; [and 32-328;] and (6) to advise the Commissioner of Energy and Environmental Protection on the distribution of grants pursuant to section 23-101.

This act shall take effect as follows and shall amend the following sections:

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<tr>
<th>Section</th>
<th>Effect Date</th>
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<tbody>
<tr>
<td>1</td>
<td>July 1, 2017</td>
<td>32-326</td>
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<tr>
<td>2</td>
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<td>32-327</td>
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<td>3</td>
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<tr>
<td>4</td>
<td>July 1, 2017</td>
<td>23-102(b)</td>
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**Statement of Purpose:**
To expand regional economic development opportunities by permitting economic development districts to apply for financial assistance for projects identified in such districts' regional economic development plans.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]

Co-Sponsors: REP. ROJAS, 9th Dist.; REP. ELLIOTT, 88th Dist.
H.B. 6948